

CHAPTER - VII

FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

SECTION – B – PARAGRAPHS

7.1 Extent of assistance

7.1.1 Autonomous bodies and authorities are set up to discharge generally non-commercial functions of public utility services. These bodies/authorities by and large receive substantial financial assistance from Government. Government also provides substantial financial assistance to other institutions such as those registered under the respective State Co-operative Societies Act, 1956, *etc.*, to implement certain programmes of the State Government. The grants are intended essentially for maintenance of educational institutions, hospitals, charitable institutions, construction and maintenance of schools and hospital buildings, improvement of roads and other communication facilities under municipalities and local bodies.

7.1.2 During 2001-2002 financial assistance of Rs.58.63 crore was paid to various autonomous bodies and others as compared to Rs.50.67 crore paid in 2000-2001 as shown below:

Table 7.1

(Rupees in crore)

Name of Institution	Amount of assistance paid	
	2000-2001	2001-2002
1. Universities and Educational Institutions	Nil	Nil
2. Municipal Corporations and Municipalities	Nil	Nil
3. District Councils	44.02	50.03
4. Mizofed (Co-operative Societies)	0.09	0.09
5. Hospitals and other Charitable Institutions	Nil	Nil
6. Other Institutions	6.56	8.51
Total:	50.67	58.63

7.2 Delay in submission of accounts

7.2.1 In order to identify the institutions which attract audit under Section 14/15 of the C&AG's (Duties, Powers and Conditions of Service) Act, 1971, Government is required to furnish to Audit every year detailed information

about the financial assistance given to various institutions, the purpose for which assistance was sanctioned and the total expenditure of the institutions. Information for the year 2001-2002 called for in May 2002 from 20 institutions, was awaited from 6 institutions as of November 2002.

7.2.2 The status of submission of accounts by autonomous bodies covered under Section 19(3) of the Act and submission of Audit Reports thereon to the State Legislature as of November 2002 is given below:

Table 7.2

Sl. No.	Name of Body	Accounts due	Year upto which Accounts submitted	Audit Reports issued	Reasons for non finalisation of Audit Reports	Year upto which Audit Report placed before Legislature
1.	Mizoram Khadi & Village Industries Board	2001-2002	2000-2001	1999-2000	Due to delay in submission of accounts	Upto 1997-1998 and information regarding placement of AR 1998-1999 and 1999-2000 is still awaited

7.2.3 The audit of accounts of the following body has been entrusted to the Comptroller and Auditor General of India for a period of 5(five) years as detailed below:

Table 7.3

Sl. No.	Name of Body	Period of entrustment	Date of entrustment
1.	Mizoram Khadi & Village Industries Board, Aizawl	2001-2002 to 2005-2006	10 May 2001

7.3 Audit arrangement

7.3.1 The primary audit of local bodies (Zilla Parishads, Nagar Palikas, Town area/ Notified Area Committee), educational institutions and others is conducted by the examiner of Local Accounts. Audit of Co-operative Societies is conducted by the Internal Auditor of the Registrar of Co-operative Societies.

7.3.2 Of the 24 bodies/authorities whose accounts for 2000-2001 were received, the accounts of 13 bodies/authorities attracted audit. Of these, the audit of 6 bodies/authorities has already been completed (November 2002).